



**T&W Steel Retention and Expansion  
Incentive Request**  
January 29, 2025 LCRA Board of Commissioners

**Developer Request**

**Construction Period**

Sales & Use Tax Exemption on Construction Materials\*

**Years 1-10**

Real Property Tax Abatement                      75%              Redevelopment Plan  
Fixed PILOTs structure with projected taxes

\* Company pays sales taxes on personal property purchases (machinery and equipment)

**Property Tax Benefit to Taxing Districts**

Real Property Taxes	2024 Taxes		First Year	Taxes & PILOTs
		%	Taxes & PILOTs	Over 10 Years
BOARD OF DISABLED SERVICES	\$1	0.8%	\$168	\$1,779
CITY - LEES SUMMIT	\$24	17.2%	\$3,577	\$37,980
JACKSON COUNTY	\$10	7.1%	\$1,468	\$15,582
LEES SUMMIT SCHOOL R-VII	\$92	66.6%	\$13,814	\$146,678
MENTAL HEALTH	\$2	1.3%	\$271	\$2,880
METRO JUNIOR COLLEGE	\$3	2.5%	\$511	\$5,427
MID-CONTINENT LIBRARY	\$6	4.2%	\$873	\$9,271
STATE BLIND PENSION	\$0	0.4%	\$75	\$792
	\$138	100.0%	\$20,756	\$220,390

**Value of Incentive Request to Developer**

Project Costs		
Land Acquisition	\$1,300,000	
Project Construction	\$5,500,000	
Soft Costs	\$250,000	
<b>Total</b>	<b>\$7,050,000</b>	
Value of Sales Tax Exemption	\$109,710	1.6%
NPV of Property Tax Abatement*	\$455,943	6.5%
<b>Total Value of Incentive Request</b>	<b>\$565,653</b>	<b>8.0%</b>

\* Assumes County valuation at 67% of construction budget.

**Impact to City**

<u>Impact of Abated Taxes</u>	
Sales & Use Tax Exemption	\$24,750
Real Property Tax Abatement	\$77,510
	<u>\$102,260</u>

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**Developer Request**

Source	Incentive Tool	Applicable Rate	Purpose	Estimated Financial Benefit	% Project Costs
LCRA	Sales Tax Exemption on Construction Materials	100%	Reduce Project Costs for Retention & Expansion	\$109,710	1.6%
LCRA	Real Property Tax Abatement	75%*	Reduce Project Costs for Retention & Expansion	\$455,943	6.5%
				\$565,653	8.0%

\* Fixed PILOT structure

**Sample Abatement Packages for Large Scale Industrial Projects  
Missouri Side of Kansas City Region, 2015-2024**

**Updated December 2024**

YEAR APPROVED	GOVERNMENT ENTITY	COMPANY	PROJECT	SQFT	ABATEMENT TERM	ABATEMENT LEVEL
2015	Kansas City (PortKC)	NorthPoint Development	Three Trails Industrial Park (three buildings)	1,300,000	20 years	100% Years 1-13 50% declining to 20% Years 14-17 10% Years 18-20
2016	Kansas City (PortKC)	NorthPoint Development	Northland Park (HWY 210 & N. Kimball Drive)	1,500,000	20 years	90% Years 1-10 50% Years 11-20
2016	Grandview	Bulk Industrial	Southpointe Business Park	737,000	15 years	58.5% Years 1-15, including 20% "Additional Rent" for infrastructure
2017	Kansas City (PortKC)	CVS Distribution Center	Skyport Industrial Park	762,000	22 years	90% Years 1-12 (plus 10-yr personal property abatement on equipment) 50% Years 13-22
2017	Kansas City (EEZ)	Hunt Midwest	Hunt Midwest Business Center (HMBC I - III)	623,785	25 years	100% Years 1-25
2018	Belton	NorthPoint Development	Southview Commerce Center (Building I)	454,489	20 years	96% Years 1-5 93% declining to 88.5% Years 6-12 55% Years 13-20
2018	Blue Springs	Landmark	Faurecia	250,000	15 years	100% Years 1-10 (plus 15-yr personal prop abatement on equipment) 50% Years 11-15
2019	Liberty	Lane4	Liberty Logistics Center (three buildings)	922,000	10 years	100% Years 1-10
2019	Blue Springs	Durvet	Durvet Expansion	54,080	10 years	100% Years 1-10
2020	Blue Springs	Blue Springs Logistics	Logistics	585,660	10 years	100% Years 1-10
2020	Liberty	Opus	Heartland Meadows Commerce Center	181,321	10 years	90% Years 1-10
2020	Liberty	NorthPoint Development	Broadacres Industrial Park	3,300,000	20 years	90% Year 1 90% declining to 18% Years 2 - 20
2020	Kansas City	MDC Inc.	Executive Park Logistics Center (2 buildings)	396,455	15 years	100% Years 1-10 50% Years 11-15
2020	Kansas City (Port KC)	NorthPoint Development	Blue River Commerce Center	2,590,000	20 years	94% Years 1-10 50% Years 11-20
2020	Kansas City (Port KC)	Van Trust	Niagra (NWC 112th and North Congress Ave.)	630,000	16 years	~92% Years 1-7 (plus personal property tax abatement) ~83% Years 8-11 ~73% declining to 35% Years 12-16
2020	Raymore	Van Trust	Raymore Commerce Center	564,970	20 years	~97.5% Years 1--20
2022	Liberty	STAR Development	Garrison Industrial	170,700	10 years	90% Years 1-10
2022	Platte City	Van Trust	Industrial / Distribution	2,000,000	16 years	~95% Years 1-10 ~75% Years 11-16
2022	Kansas City (Port KC)	STAR Development	Industrial / Distribution	576,400	20 years	90% Years 1-10 50% Years 11-20
2022	Independence	NorthPoint Development	Eastgate Commerce Center (22 buildings)	10,749,000	20 years	~87% Years 1-12 ~85% declining to 21% Years 13-20
2022	Lee's Summit	Scannell	LS Logistics	783,000	20 years	95% Years 1-10 75% Years 11-20
2022	Lee's Summit	Zerega Pasta	Facility Expansion	160,000	10 years	75% Years 1-10; same for equipment (personal property)
2022	Lee's Summit	LS Industrial, LLC	LS Industrial	595,000	20 years	95% Years 1-10 50% Years 11-20
2022	Lee's Summit	Ward Development	Town Centre Industrial	250,000	20 years	78% Years 1-10 50% Years 11-20
2023	Raymore	URBN LLC	Nuuly (Personal Property Only)	n/a	10 years	Personal property abatement only ~97% Years 1-10
2023	Raymore	Van Trust	Raymore Commerce Center South (2-3 buildings)	3,075,000	20 years	~98% Years 1-5 ~96% declining to 73% Years 6-15 ~60% Years 16-20
2023	Lee's Summit	Performance Food Group	Reinhart Foodservice	170,000	10 years	84% Years 1-10
2024	Lee's Summit	K&R Wholesale Building Materials	K&R Wholesale	21,250	10 years	75% Years 1-10

**Notes**

The average abatement duration is about 19 years.

The average abatement during years 1-10 exceeds 90%.

The average abatement during years 11-20 is roughly 50% with some notable exceptions, and some projects incorporate an annual decline during this period.

Some packages include fixed PILOT per sqft (Belton, Kansas City, Platte City, Raymore).

Some calculations are rounded because the fixed PILOTS produce fractional percentages.

# Lee's Summit Incentive Reimbursement Rates

Updated May 2024

Project	Year	Acres	Total Project Costs*	Total Reimbursement*	Total %	Land Uses							Reimbursement Type and %							Reimbursement as % of Total Project Costs					
						Residential	Senior Residential	Commercial	Office	Industrial	Historic Structures	Public / Civic	TIF	LCRA	CID	TDD	Chapter 353	Chapter 100	Other Gov't Funding		Total %				
Chapel Ridge	2000	258.0	\$108.7	\$31.9	29.3%			•	•									22.9%		6.4%					29.3%
Summit Woods	2000	95.0	\$151.6	\$39.7	26.2%			•										16.3%		9.9%					26.2%
I-470 Business & Technology	2006	17.8	\$66.2	\$6.8	10.3%			•			•							6.2%		4.1%					10.3%
Summit Fair	2006	58.7	\$162.8	\$55.3	34.0%			•										19.7%	14.3%						34.0%
Hartley Block	2006	1.3	\$7.7	\$2.5	32.5%	•		•										32.5%							32.5%
East 50 Highway Corridor (Project 4)	2007	15.2	\$20.0	\$5.0	25.0%			•										19.0%	6.0%						25.0%
Ritter Plaza	2007	7.3	\$14.5	\$4.7	32.4%			•										22.8%	9.7%						32.5%
New Longview	2015	107.0	\$85.4	\$20.6	24.1%	•		•	•		•							24.1%							24.1%
John Knox Village	2015	170.0	\$48.0	\$11.5	24.0%		•														24.0%				24.0%
Pine Tree Plaza	2017	12.4	\$9.3	\$2.4	25.9%			•											25.9%						25.9%
740 Blue Parkway Project	2017	3.5	\$12.5	\$1.3	10.6%			•											10.6%						10.6%
Village at View High	2017	34.0	\$69.0	\$10.3	14.9%			•										11.6%	3.3%						14.9%
The Princeton	2019	37.0	\$35.5	\$0.8	2.1%		•												2.1%						2.1%
Cityscape Downtown Apartments	2019	3.7	\$51.8	\$9.3	18.0%	•					•							15.4%	2.6%						18.0%
Streets of West Pryor (Commercial & Apts)	2019	73.0	\$178.6	\$36.0	20.2%	•		•										11.0%	4.5%	1.0%		3.4%	0.3%		20.2%
Southside Plaza Shopping Center	2020	4.5	\$4.8	\$1.4	29.9%			•											29.9%						29.9%
Cedar Creek Shopping Center	2020	5.2	\$9.4	\$1.5	15.9%			•											15.9%						15.9%
Paragon Star	2020	332.9	\$245.1	\$74.6	30.4%	•		•	•									13.1%	2.0%	13.1%			2.0%		30.2%
Streets of West Pryor (Townhomes)	2021	9.3	\$30.5	\$2.9	9.5%	•													9.5%						9.5%
Chapel Ridge Shopping Center	2021	9.2	\$19.6	\$3.9	20.1%			•											20.1%						20.1%
LS Logistics - Scannell Industrial	2022	75.8	\$50.6	\$11.1	21.9%						•												21.9%		21.9%
LS Industrial - O'Dell	2022	49.8	\$46.5	\$9.5	20.4%						•								20.4%						20.4%
Paragon Star Parking Garage	2022	0.7	\$10.5	\$0.2	2.1%			•											2.1%						2.1%
Paragon Star Apartments	2022	1.8	\$59.0	\$1.3	1.7%	•													1.7%						1.7%
Valle Vista Shopping Center	2022	4.4	\$15.0	\$3.9	26.3%			•											26.3%						26.3%
Blackwell Mixed Residential	2022	56.0	\$103.1	\$4.0	3.9%	•																3.9%			3.9%
Discovery Park	2022	265.0	\$956.5	\$212.2	22.2%	•		•	•									20.2%	2.0%						22.2%
Scenic Development - Senior Care	2022	12.6	\$48.4	\$2.7	5.6%		•															5.6%			5.6%
Summit Square III Apartments	2022	11.4	\$72.2	\$3.6	5.0%	•																5.0%			5.0%
Cityscape at Douglas & Tudor	2022	13.2	\$65.7	\$3.3	5.0%	•																5.0%			5.0%
Town Centre Industrial - Ward Development	2022	22.0	\$17.8	\$3.4	19.3%						•											19.3%			19.3%
Colbern Ridge	2023	41.4	\$83.7	\$6.4	7.6%																	7.6%			7.6%
Ellis Glen	2023	1.2	\$8.0	\$2.0	24.4%	•			•										24.4%						24.4%
Lee's Summit Crossing	2024	177.0	\$407.9	\$52.3	12.8%	•	•	•										8.4%	1.1%	1.1%		2.2%			12.8%
Oldham Village	2024	50.0	\$205.5	\$56.7	27.6%	•	•											8.3%	4.1%	10.2%	1.5%				24.1%
<b>Grand Totals</b>		<b>2,037.3</b>	<b>\$3,481.4</b>	<b>\$695.1</b>		<b>14</b>	<b>5</b>	<b>20</b>	<b>5</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>15</b>	<b>8</b>	<b>15</b>	<b>7</b>	<b>1</b>	<b>9</b>	<b>2</b>					<b>Average: 18.2%</b>	

\* In Millions. Some reimbursement occurs in the form of abatement value.

Number of Projects: 35

Summary of Data			
Date Range	2000-2024	Project Average	18.2%
Number of Projects	35	TIF Average	16.8%
Highest Reimbursement %	34.0%	LCRA Average	8.4%
Lowest Reimbursement %	1.7%	CID Average	12.1%
% Range without outliers	2-30%	TDD Average	5.3%
		Ch 100 Aver.	8.2%